

THE INSURANCE DEPARTMENT OF THE STATE OF DELAWARE

IN THE MATTER OF:

The Proposed Acquisition of Royal Indemnity)	
Company, a Delaware domiciled)	
property/casualty insurance company, Security)	
Insurance Company of Hartford, a Delaware)	
Domiciled property/casualty insurance company,)	
Guaranty National Insurance Company, a)	Docket No. 313
Delaware domiciled property/casualty insurance)	
Company, and Royal Surplus Lines Insurance)	
Company, a Delaware domiciled)	
property/casualty insurance company, by)	
Arrowpoint Capital Corp., a Delaware)	
Corporation, and Arrowpoint Capital, LLC, a)	
Delaware limited liability company)	

ORDER ESTABLISHING PUBLIC HEARING TIME AND PROCEDURES

A PUBLIC HEARING in this matter will be held at **9:30 a.m.** or as soon thereafter as may be reasonable, on **Friday, January 19, 2007**, in Conference Room A on the second floor of the Public Service Commission/Department of Professional Regulations building, 861 Silver Lake Blvd., Dover, DE 19904. The purpose of the Hearing is to address the Proposed Acquisition of ROYAL INDEMNITY COMPANY, a Delaware-domiciled property/casualty insurance company; SECURITY INSURANCE COMPANY OF HARTFORD, a Delaware-domiciled property/casualty insurance company; GUARANTY NATIONAL INSURANCE COMPANY, a Delaware-domiciled property/casualty insurance company; and ROYAL SURPLUS LINES INSURANCE COMPANY, a Delaware-domiciled property/casualty insurance company (collectively, the “Insurers”), by ARROWPOINT CAPITAL CORP, a Delaware corporation; ARROWPOINT CAPITAL LLC, a Delaware limited liability company (collectively, the Applicants”); and JOHN TIGHE, SEAN BEATTY and DENNIS W. CAHILL (each individually a “Co-Applicant” and together the “Co-Applicants”). The docket number assigned to this Hearing is 313.

The Hearing will be conducted in accordance with the Delaware Administrative Procedures Act, 29 *Del. C.* Chapter 101 and 18 *Del. C.* § 323-28. Any person wishing to file written comments on the proposed acquisition may do so by filing said written comments no later than 4:30 p.m. EST Monday, January 15, 2007 as follows:

Original and one (1) copy to:

Docket File

Attn: Deputy Attorney General Michael J. Rich

c/o Delaware Department of Insurance

841 Silver Lake Boulevard

Dover, DE 19904

Tel. (302) 674-7326

Fax (302) 739-5566

Email michael.rich@state.de.us

Simultaneously with the filing, a copy of said written comments shall be served on the Applicant with a courtesy copy to the Hearing Officer, addressed as follows:

One (1) copy to:
Robert Lewin, Esquire
Stroock, Stroock & Lavan, LLP
Attorneys for the Applicant
180 Maiden Lane
New York, NY 10038-4982
Fax (212) 806-6006
Email rl Lewin@stroock.com

One (1) copy to:
Hearing Officer Prof. Lawrence A. Hamermesh
Email lahamermesh@widener.edu

If any submissions are made by fax or electronic delivery, one hard copy original must be delivered to the Department of Insurance as specified above and the fax or electronic delivery will suffice for the copy recipients.

Any person seeking a determination of any pre-hearing issue relating to this matter that has not already been resolved must file a written application, not to exceed ten pages including exhibits or attachments, before 4:30 p.m. EST Tuesday, January 2, 2007 in the same manner as specified above for written comments. The Applicant and the Department of Insurance shall have five (5) business days in which to respond, and shall serve a copy of such response in the same manner as specified above, with a copy to the person filing the written application. No rebuttal filing shall be permitted except as otherwise ordered by the Hearing Officer.

Any person wishing to make oral comment on the pending application at the hearing should submit written notification as specified above for written comments. Such notification, no longer than five pages, must identify the name of and contact information for the person who wishes to make oral comment and contain a short description of the issue(s) or topic(s) that will be addressed. The Hearing Officer may direct, prior to the hearing, that oral comment be limited in time or coordinated with other oral comments on the same subject.

The Department of Insurance shall cause notice of the hearing to be given as prescribed by law.

/s/ Lawrence A. Hamermesh
Prof. Lawrence A. Hamermesh
Hearing Officer

December 20, 2006